

SUMMARY OF CIA RETIREMENT AND DISABILITY SYSTEM

1. Standards of eligibility

The CIA Retirement and Disability System is designed to provide appropriate retirement, discontinued service, disability and death benefits to employees whose duties are (1) in the conduct or support of Agency activities abroad hazardous to life or health; (2) of such a nature as to require the use of most stringent security and covert tradecraft procedures to maintain personal cover in the conduct or support of Agency activities abroad; or (3) so specialized that the skills are not in demand elsewhere, and so highly classified as to preclude adequate description to a prospective employer.

2. Selection of participants

Staff personnel will be covered by the Civil Service Retirement Act upon initial appointment in the Agency. In order to permit the participation of an eligible employee in the CIA Retirement and Disability System at the earliest practicable time in his career with the Agency, the initial designation of an employee as a Participant in the system will be based upon his meeting the following criteria: (1) be at least 25 years of age; (2) have successfully completed three years of Agency service; (3) have signed a written obligation to serve anywhere and at any time according to the needs of the Agency; (4) be serving on a career basis in a field which normally requires the performance of qualifying service as an integral part of a career in that field; (5) have performed qualifying service or be under official orders for an assignment requiring the performance of qualifying service; and (6) have sufficient time prior to completion of 15 years service with the Agency within which he could complete a minimum of 60 months of qualifying service or, if he has completed 15 years of service with the Agency, have performed 60 months of qualifying service.

In order to avoid the continued participation in the CIA Retirement and Disability System of an employee whose career subsequent to his initial designation as a Participant does not meet the service conditions described above, there shall be reviews at intervals of not more than 5 years of the past and prospective career of each Participant to reaffirm his continued eligibility for participation. Specifically, at the fifth anniversary of his designation review he must have performed 18 months of qualifying duty, similarly 36 months of qualifying duty at the tenth anniversary of his designation and 60 months at the fifteenth anniversary of his EOD in the Agency.

3. Delegations of authority

In general, the Director of Personnel is delegated authority to act for the Director of Central Intelligence in most matters. A CIA Retirement Board has been established to advise the Director of Personnel. In any case involving involuntary or voluntary retirement or involuntary disability retirement, final action may be taken only by the Director of Central Intelligence. Also, only the Director may extend the employment of participants reaching the prescribed mandatory retirement ages of 60 for GS-17 and below and of 65 for GS-18 and above.

4. Hearings and appeals

a. Hearings - CIA Retirement Board: In the process of considering a case, the Board is required to advise the employee concerned if it intends making an adverse recommendation in his case and to give the employee an opportunity to present his views.

Approved For Release 2000/09/11 : CIA-RDP78-03721A000600010005-8

b. Appeals to DCI: Any determination (whether by the DCI or the Director of Personnel) under the system may be appealed by the employee, participant, or annuitant concerned to the DCI. Appeals will be referred to the Inspector General for investigation and recommendation to the DCI.

5. Types of Retirement and Eligibility Requirements

a. Voluntary Retirement: A participant may voluntarily retire with the consent of the DCI at age 50 with at least 20 years of service including at least 10 years of Agency service of which 5 years are qualifying service. There is no reduction in his annuity for being under age 60.

b. Discontinued Service Retirement: The DCI may involuntarily retire a participant who is at least 50 years of age if he has at least 20 years of creditable service or one who has at least 25 years of creditable service, including at least 10 years of CIA service including 5 years of qualifying service. There is no reduction in his earned annuity for being under age 60.

c. Disability Retirement: A participant who becomes totally disabled and has at least 5 years of creditable service may be retired at his request or by the Director and there is no reduction in his annuity for being under age 60. He is guaranteed a minimum annuity representing the lesser of (1) 40% of his high-5 salary, or (2) his annuity computed as if he continued in service to age 60.

d. Mandatory Age Retirement: Mandatory retirement age for employees in GS-18 or higher grades is age 65; for employees in grades below GS-18, it is 60. The Director may extend the individual's service for a period up to five years if he determines it to be in the public interest. He may also recall an annuitant to active service if he determines it to be in the public interest.

6. Survivor Benefits

A retiring employee may elect to receive a reduced annuity in order to provide a survivor benefit for the widow or widower or other person having an insurable interest in the participant and named by the participant. The survivor's annuity to a widow or widower is 55% of the employee's earned annuity. In order to provide this benefit, the employee's annuity is reduced by 2.5% of the first \$3600 and by 10% of the amount over \$3600. The annuity of the survivor terminates upon death or remarriage.

7. Annuity Computation Formula

Under both the CIA and the Civil Service Retirement Systems, an annuity is based on the individual's "high-5 salary," that is, his average salary for his highest paid 5 consecutive years of service. However, under the Civil Service Retirement System, the annuity is computed at 1.5% for the first 5 years of service, 1.75% for the second 5 years, and 2% of high-5 for all remaining years of service. Under the CIA Retirement System, the annuity is computed at 2% of high-5 for all years of service.

8. Reemployment of Retired Participant

A participant retired under the System shall not be barred from employment in Federal Government. If so appointed, he receives his annuity under the System but a sum equal to the annuity allocable to the period of actual employment is deducted from his salary.

9. Limitation on Number of Retirements

The number of participants retiring on an annuity for any reason except disability shall not exceed a total of 400 during the period beginning 1 July 1969 and ending 30 June 1974.